



State of South Carolina

Office of the Governor

MARK SANFORD
GOVERNOR

POST OFFICE BOX 12267
COLUMBIA 29211

June 23, 2006

Dear Agency Director,

As our state approaches the next budget year, we again are seeking to prioritize spending and structure our operations in a way that provides maximum efficiency to the taxpayers of South Carolina. While state revenues for FY 2006-07 are forecasted at unprecedented levels, prioritization remains important as we reflect on the recent fiscal challenges that will most certainly reappear in the future. In fact, with such issues as the nearly \$10 billion Other Post Employee Benefits unfunded liability looming, prioritization of spending remains as important as ever.

It is for that reason we begin the third year of the *Budgeting for Results* process. Enclosed you will find the activity templates and instructions in the format I'd ask you to use. These forms should be completed and submitted to the Office of State Budget no later than August 1, 2006. As we move ahead in this process, we will continue our efforts to craft a budget that moves our state in the right direction.

Thanks again for your hard work on behalf of South Carolinians and take care.

Sincerely,

A handwritten signature of Mark Sanford, appearing as a stylized "U" followed by a horizontal line.

Mark Sanford

MS/kk.kh

Enclosure